World Employment

WORLD SUMMIT FOR SOCIAL DEVELOPMENT

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Attacking Poverty

Building Solidarity

Creating Jobs

UNITED NATIONS

The Situation

The Global Workforce: Out of a 1994 global population totaling some 5.3 billion people, 2.8 billion constitute the current global workforce. Of these, more than 120 million are estimated to be unemployed.

The Widening Income Gap: The annual per capita income in industrialized countries stands at $20 000, as compared to only $500 in the least developed countries of the world.

The top 20 per cent of income earners receive 83 per cent of world income, while the bottom 20 per cent receive only 1.5 per cent.

Employment Facts: An estimated 30 per cent of the labour force — over 800 million people — are not productively employed; that is, they are either hunting vainly for jobs or are underemployed, working at tasks that do not allow them to make ends meet. There are 700 million people in the underemployed category. These people constitute the majority of the 1.1 billion "absolute poor" in the world.

♦ *Industrialized nations:* One out of every 10 persons in the 24 major industrialized countries is unemployed.

♦ *Developing countries:* 60 per cent of the overall population in developing countries live in rural areas, depending primarily on agriculture for their livelihood.

Even though export crop prices have declined substantially in recent years, as the dominant sector of the economy, agriculture accounts for the bulk of the labour force and contributes an average 40 per cent of Gross Domestic Product.

♦ *Subsistence workers:* Some 300 million people, most of them women in developing countries, live hand-to-mouth lives in the so-called informal employment sector, without any sort of social security, insurance, disability or retirement benefits.

♦ *International migration:* Mounting fear of unemployment has led a number of major immigration countries to further restrict the flow of an estimated 30-35 million economically active migrants, 1.3 per cent of the global workforce.

The Debt Crisis: External debt in developing countries nearly doubled over the past decade, reaching $1.4 trillion in 1992, resulting in a development standstill and increasing unemployment.

The Trends

In most regions of the world, unemployment and underemployment are rising rapidly.

♦ *Industrialized countries*: The average unemployment rate is predicted to reach 8.6 per cent in 1994; Western Europe is expected to reach 12 per cent, while Eastern Europe may reach 15 per cent.

♦ *Africa:* Exacerbated by two decades of economic crises, the urban unemployment rate in sub-Saharan Africa stands at about 20 per cent, with the vulnerable informal sector comprising over 60 per cent of the urban labour force; in rural areas, underemployment affects well over half the labour force.

♦ *North Africa and the Middle East:* Unemployment ranges between 10 and 20 per cent, with youth being hardest hit;

♦ *Latin America:* Despite stringent structural adjustment policies, urban unemployment has once again climbed to 7 per cent, the same level as in 1980.

♦ *East and South East Asia:* 50 per cent of the world's 1.1 billion poor live in South Asia, while another 15 per cent live in East Asia

Source: World Summit for Social Development: An Overview, Report of the Secretary-General (A/CONF.166/PC/6), 4 January 1994.

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